

## Enclosure 2 of 12 STATE OF MICHIGAN

## DEPARTMENT OF ENVIRONMENTAL QUALITY

LANSING



C. HEIDI GRETHER
DIRECTOR

July 20, 2018

## <u>CERTIFIED MAIL – 7016 0340 0001 0595 2360</u> RETURN RECEIPT REQUESTED

Mr. John Wagner Diamond Chrome Plating Inc. 604 South Michigan Avenue P.O. Box 557 Howell, Michigan 48844

Dear Mr. Wagner:

SUBJECT:

Reimbursement of Past Costs; Diamond Chrome Plating Facility (Facility);

604 South Michigan Avenue, Howell, Livingston County;

Facility ID No.: 47000202

Thank you for taking the time to meet with the Department of Environmental Quality (DEQ) management and staff on June 27, 2018. During the meeting the question of the Past Response Activity Costs payment related to the completion of the Contamination Investigation (CI) required pursuant to Section 6.7 of the First Amended Consent Decree (FACD), No. 03-1862-CE was discussed.

Pursuant to Section 6.7 of the FACD, the CI was to be completed by June 30, 2016. At the request of Diamond Chrome Plating (DCP), this deadline was extended by the DEQ to September 30, 2016. Section 6.7 further requires the CI to achieve the performance objectives in Section 6.1(c) of the FACD, which provides that DCP shall "conduct complete investigations of soil and groundwater contamination at the Facility to fully define the vertical and horizontal extent of contamination and an evaluation of groundwater contamination by analysis of contaminant concentrations over time on and off the Property."

In a letter to DCP dated May 31, 2018, the DEQ determined that the CI failed to meet the performance objectives set forth in Section 6.1(c) of the FACD and was therefore not completed by the agreed upon extension date of September 30, 2016. Therefore, pursuant to Section 15.1 of the FACD, DCP is responsible for the payment of \$69,003.19 that corresponded with the CI due date.

DCP has requested that the DEQ hold this payment in abeyance pending further investigations scheduled to begin on July 23, 2018. The DEQ is not inclined to grant further extensions for deadlines provided for in the FACD, however, the DEQ does agree to hold payment related to the CI in abeyance until additional data from further investigations is received and evaluated by the DEQ. The DEQ considers the CI incomplete and stipulated penalties are accruing pursuant to Section 16.2 of the FACD. The DEQ will evaluate assessment of stipulated penalties based on future compliance with the FACD. The DEQ encourages DCP to complete further investigations expeditiously.

If you have any further questions regarding this matter, please contact Ms. Rebecca Taylor, Project Manager, 517-284-5160; taylorr@michigan.gov; or DEQ, Lansing District Office, 525 West Allegan Street, Lansing, Michigan 45909; or you may contact me.

Sincerely,

Susan Leeming, Director

Remediation and Redevelopment Division

517-284-5144

cc: Ms. Cindy Lang, BB & E

Mr. Todd Fracassi, Pepper Hamilton, LLP

Mr. Brian Negele, Michigan Department of Attorney General

Ms. Kathleen Shirey, DEQ

Mr. Joshua Mosher, DEQ

Mr. Dennis Eagle, DEQ

Ms. Rebecca Taylor, DEQ

Mr. Dan McGeen, DEQ

Mr. Bryan Grochowski, DEQ

Ms. Carla Davidson, DEQ

Ms. Lisa Agosta, DEQ

Ms. Maureen Nelson, DEQ

Ms. Alexandra Clark, DEQ

Mr. Malcolm Meade O'Brien, DEQ